

H.R. 928 – Improving Government Accountability Act

EXECUTIVE SUMMARY

Representative Jim Cooper (D-TN) introduced the Improving Government Accountability Act (H.R. 928) on February 8, 2007. The bill, as amended, was approved by the Committee on Oversight and Government Reform on August 2, 2007, by a voice vote. It will be considered on the floor under a structured rule on October 3, 2007.

H.R. 928 revamps the inspector general (IG) system within the executive branch. The major components of this overhaul include limiting the reasons for dismissing an inspector general (IG), allowing IGs to directly submit budget requests to Congress, and establishing the Council of the Inspectors General on Integrity and Efficiency.

The Statement of Administration Policy on H.R. 928 includes a veto-threat of the bill in its current form. The Ranking Republican on the Oversight and Government Reform Committee, Rep. Tom Davis (R-VA), also raised concerns that "provisions in the legislation go too far."

According to the Congressional Budget Office, H.R. 928 would cost approximately \$9 million in 2008 and \$73 million from 2008 to 2012.

FLOOR SITUATION

H.R. 928 is being considered on the floor pursuant to a structured rule. The rule:

- ➤ Provides one hour of general debate equally divided and controlled by the Chairman and Ranking Republican Member of the Oversight and Government Reform Committee.
- ➤ Waives all points of order against consideration of the bill except those arising under clauses 9 (earmarks) and 10 (PAYGO) of Rule XXI.
- ➤ Provides that the amendment in the nature of a substitute recommended by the Oversight and Government Reform Committee shall be considered as an original bill for the purposes of further amendment.
- All points of order against the committee amendment in the nature of a substitute are waived except for clause 10 (PAYGO) of rule XXI. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure).
- Makes in order only those amendments printed in the Rules Committee report.

- ➤ Waives all points of order against the amendments printed in the report except for clauses 9 (earmarks) and 10 (PAYGO) of Rule XXI.
- Provides one motion to recommit with or without instructions.
- ➤ Provides that, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to a time designated by the Speaker.

Representative Jim Cooper (D-TN) introduced the Improving Government Accountability Act (H.R. 928) on February 8, 2007. The bill, as amended, was approved by the Committee on Oversight and Government Reform on August 2, 2007, by a voice vote.

The bill is expected to be considered on the floor on October 3, 2007.

SUMMARY

H.R. 928 revamps the inspector general (IG) system within the executive branch. The major components of this overhaul include the following:

<u>Removal</u>: The bill limits the grounds for which an inspector general can be removed from office to 1) permanent incapacity; 2) inefficiency; 3) neglect of duty; 4) malfeasance; and 5) conviction of a felony or conduct involving moral turpitude. Under current law, the President has the authority to remove an inspector general for any reason as long as those reasons are communicated to Congress.

Rep. Tom Davis (R-VA), Ranking Republican on the Oversight and Government Reform Committee, offered an amendment during Committee consideration of the bill that would exempt the smaller agency inspectors general from the removal requirements (instead limiting it to only Cabinet-level inspectors general). The Committee approved this amendment.

Note: The Administration strongly opposes the "removal for cause" language because it infringes on the President's Constitutional authority and undermines his authority to hold IGs accountable for performance.

<u>Length of Term</u>: H.R. 928 creates a term of office of seven years for inspectors general. They are permitted to serve more than one term as long as they are reappointed and confirmed. Under current law, there is no term of office or limitation on service.

<u>Direct Budget Submissions</u>: The bill grants IGs the authority to submit budget requests directly to Congress.

Note: The Administration strongly opposes this provision, arguing that it "authorizes IGs to circumvent the President's longstanding, and constitutionally based, control over the executive branch budget requests." The Davis amendment addresses this Administration objection (see below).

<u>Council of the Inspectors General on Integrity and Efficiency</u>: H.R. 928 establishes the Council of the Inspectors General on Integrity and Efficiency to identify weaknesses and vulnerabilities in Federal programs and operations as well as to ensure the quality and training of the personnel in the offices of the IGs.

The membership of the Council includes: 1) all inspectors general; 2) the Controller of the Office of Federal Financial Management; 3) a senior official of the FBI; 4) Director of the Office of Government Ethics; 4) Special Counsel of the Office of the Special Counsel; 5) Deputy Director of the Office of Personnel Management; and 6) Deputy Director for Management of the Office of Management and Budget.

Note: The Administration opposes this provision because "a similar council already exists under Executive Order," arguing it would hinder the President's ability to efficiently and effectively oversee the Inspectors General and the Council.

<u>Pay and Bonuses</u>: The bill prohibits cash bonuses and awards for Inspectors General. Under current law, discretionary compensation is permitted.

BACKGROUND

Established by the Inspector General Act of 1978, the inspectors general system functions as a watchdog of executive agencies in order to promote efficiency and effectiveness and to prevent and detect fraud and abuse in programs and operations. At present, there are 58 Inspector General offices throughout the Executive Branch, including 29 presidential-appointed and Senate-confirmed IGs (i.e. the 15 cabinet departments) and 29 appointed by agency heads in designated federal entities (i.e. Federal Trade Commission, Smithsonian Institute).

IGs are granted significant authority to investigate and audit information and records in carrying out their mandate. Please note that this bill does not cover Legislative Branch IGs.

ADDITIONAL INFORMATION

The Administration expressed opposition to limiting the reasons for removing inspectors general, allowing the inspectors general to directly submit a budget to Congress, and establishing the Council of the Inspectors General on Integrity and Efficiency. The Statement of Administration Policy included a veto threat of the bill in its current form. (Statement of Administration Policy: HR 928, 10/01/2007)

"Inspectors general should also be part of an agency's management structure—albeit with some independence—rather than a 'fourth branch' of the federal government...Many of the provisions in H.R. 928 would help enhance the effectiveness of the IGs in overseeing federal agencies and programs. But other provisions in the legislation go too far." (Republican Views Section of the Committee Report, 9/27/2007)

COST

According to the Congressional Budget Office, H.R. 928 would cost approximately \$9 million in 2008 and \$73 million from 2008 to 2012.

CBO Estimate - H.R. 928, Improving Government Accountability Act

AMENDMENTS

(Below are the summaries of the amendments that were made in order by the Rules Committee and may be offered on the floor of the House of Representatives)

- 1) **Rep. John Conyers (D-MI):** The amendment would provide that the Department of Justice (DOJ) Inspector General is not required to refer to the Counsel of the Office of Professional Responsibility (OPR) of DOJ, allegations of misconduct involving DOJ attorneys and related personnel where the allegations relate to the exercise of the authority of an attorney to investigate, litigate, or provide legal advice.
- 2) **Rep. Tom Davis** (**R-VA**): The amendment would revise section 3 ("direct submission of budget requests to Congress") by striking language authorizing all IGs to independently submit their office's budget requests to Congress, separate and apart from the President's budget submission, and inserting language requiring IGs to notify Congress only if the budget request submitted by the agency would "substantially inhibit the Inspector General from performing the duties of the office."
- 3) **Rep. Brad Miller (D-NC):** The amendment would add additional reasons for which an IG may be removed from office, make certain changes to make the statute conform to existing Executive Orders, and require an annual report by the Council of the Inspectors General on Integrity and Efficiency on the activities of its Integrity Committee.
- 4) **Rep. Brad Miller (D-NC): (Revised)** The amendment would establish a committee of Inspectors General of the Inspectors General Council to review the qualifications of nominees and final candidates for the position of Inspector General in all government establishments and entities to determine whether they meet the integrity and professional qualifications for the position established by the Inspector General Act. The committee would also be required to report back to the relevant Senate committee or federal appointing entity.
- 5) Rep. Kirsten Gillibrand (D-NY): The amendment would require that each federal agency website has a direct link to the website of the Office of Inspector General for that agency, that the Inspector General of each agency posts all reports and audits online within one day of being made publicly available, and that all Inspector General websites facilitate the individual, anonymous reporting of waste, fraud and abuse.

STAFF CONTACT

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